

Division of Early Care and Education

2018 Annual Report Early Care and Education in Wisconsin



March 2019



Division of Early Care and Education 2018 Annual Report: Early Care and Education in Wisconsin

The *Division of Early Care and Education 2018 Annual Report: Early Childhood in Wisconsin* summarizes data related to children and families supported by programs in the Wisconsin Department of Children and Families (DCF), Division of Early Care and Education (DECE). This report highlights information about regulated child care programs serving Wisconsin families and the activities throughout the Division that support program quality improvement, fraud reduction, and improved access to affordable high-quality child care.

Information highlighted in this report has been collected from bureaus and programs within DECE including: the Bureau of Early Care Regulation (BECR), the Bureau of Early Learning and Policy (BELP), the Bureau of Program Integrity (BPI), and Milwaukee Early Care Administration (MECA). Please refer to the Appendix for an Organizational Chart of DECE.

Report Interpretation

The DECE Annual Report is produced using data collected and stored in DCF automated information systems including: Child Care Statewide Administration on the Web (CSAW), CARES Worker Web (CWW), Wisconsin Child Care Regulatory System (WISCCRS), and YoungStar Case Management. These automated information systems are designed for use by child care eligibility workers, authorization workers, licensing specialists, certification specialists, YoungStar technical consultants, and program integrity staff to support and connect program-wide staff activities and to supply information and documentation regarding services provided to families and children.

This report is available on the Internet at <https://dcf.wisconsin.gov/files/childcare/pdf/2018-dece-annual-report.pdf>

Table of Contents

- DECE Vision, Mission, and Values 6
- Early Learning and Policy..... 7
 - Wisconsin Shares Child Care Subsidy Program 8
 - Children Served by Wisconsin Shares by Age 8
 - Children Served by Reported Race/Ethnicity 9
 - Children Served by Copayment Type 9
 - Quarterly Statewide Expenditures 10
 - Average Wages and Hours Worked by Parents..... 10
 - Approved Activity Summary for Individuals Served by Wisconsin Shares 10
 - YoungStar: Wisconsin’s Quality Rating and Improvement System 12
 - YoungStar Program Highlights13
 - YoungStar Data 14
 - YoungStar Support Service Use.....15
 - YoungStar Technical Assistance15
 - T.E.A.C.H. Early Childhood® Wisconsin 16
 - REWARD Wisconsin17
- Early Care Regulation – Licensing and Certification 18
 - Licensed Providers, Capacity and Estimated Enrolled Children 19
 - License Exempt Public School Programs20
 - Monitoring of Licensed Programs 20
 - Licensing Complaint Investigations 21
 - Self-Reports 22
 - Serious Injuries and Deaths 22
 - Certified Child Care Centers and Capacity 22
 - Monitoring of Certified Child Care Centers 23
 - Enforcement Actions 23
 - Caregiver Background Checks 24
- Program Integrity 25
 - Wisconsin Shares Provider Investigations 26
 - Wisconsin Shares Parent Investigations..... 27

Program Integrity and MyWICChildCare	27
Retractions	28
Voluntary Repayment Agreements	28
Technical Assistance (TA)	29
Milwaukee Early Care Administration	30
Wisconsin Shares Authorizations	31
MECA Services Provided.....	31
Client Investigation Referrals	32
Client Overpayments.....	32
Appendix: Division of Early Care and Education Organizational Chart.....	33

DECE Vision, Mission, and Values

Vision

All children will have access to high-quality early care and education

Mission

To support low-income working families by sharing the cost of child care and to promote the social well-being of all children and families through safe, high-quality early education experiences

Values

<i>Respect</i>	Treat others with the highest degree of dignity and fairness
<i>Accountability</i>	Deliver transparent, fiscally responsible, and programmatically sound services
<i>Collaboration</i>	Work in synergy with stakeholders to deliver quality services
<i>Consistency</i>	Continually deliver reliable services to customers
<i>Effectiveness</i>	Ensure that services strengthen the economic and social well-being of families
<i>Efficiency</i>	Systematically share resources to optimize services



Early Learning and Policy

Bureau of Early Learning and Policy

The Bureau of Early Learning and Policy (BELP) administers the Wisconsin Shares Child Care Subsidy Program and oversees YoungStar, Wisconsin's Child Care Quality Rating and Improvement System.

Mission

To provide access to high-quality child care and early education experiences, to enhance children's development, to support families in their work and parenting roles, and to effectively manage the Wisconsin Shares and quality initiatives programs



Wisconsin Shares Child Care Subsidy Program

The Wisconsin Shares Child Care Subsidy Program helps low-income families with the cost of child care while they are working or preparing to enter the workforce. Wisconsin Shares is implemented at the local level by 71 counties and nine tribes. In Milwaukee County, Milwaukee Early Care Administration (MECA) provides direct services for child care authorizations, and the Department of Health Services' Milwaukee Enrollment Services determines financial and non-financial eligibility.

In 2018, Wisconsin Shares developed and implemented several family-friendly policies. Additionally, Wisconsin Shares made many changes to automated systems to stabilize both a family's eligibility and their monthly subsidy amount. Because of these policy and system changes, it is now easier for families who are participating in the program to keep their children in high-quality child care settings, even when the family is experiencing changes.

During 2018, Wisconsin Shares:

- Supported 34,721 unique families
- Supported an average of 36,614 children per month
- Served 61,901 unique children

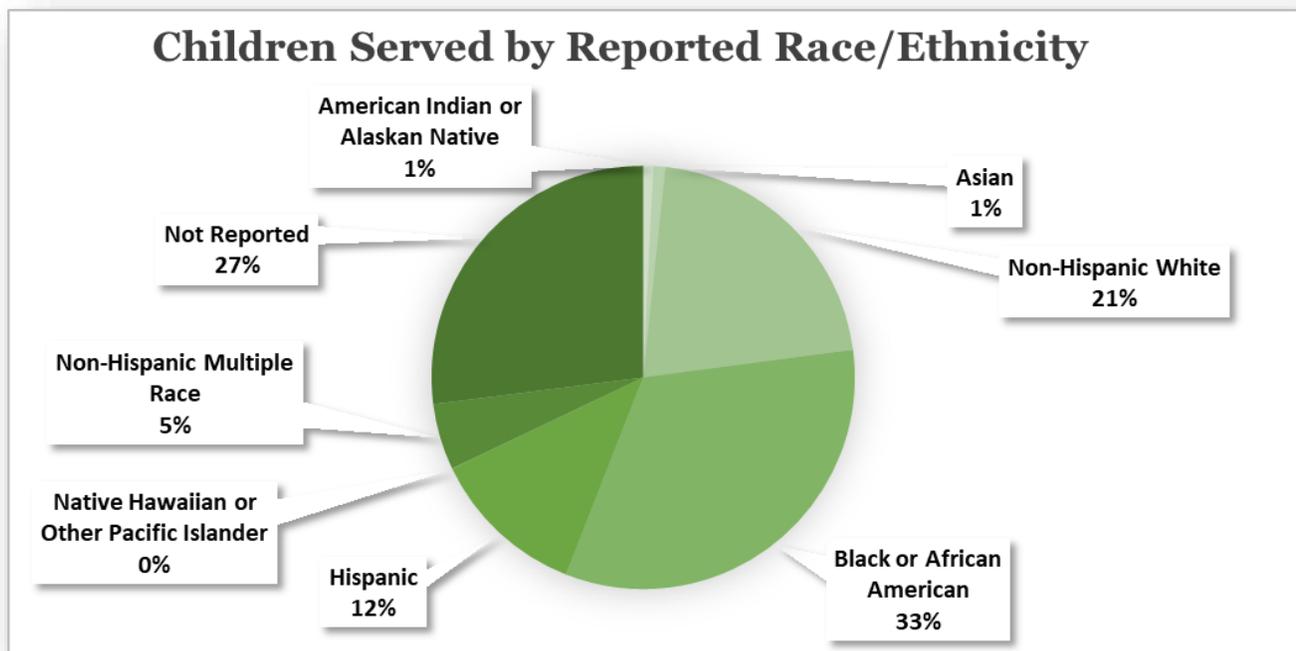
The following tables provide additional descriptive information about Wisconsin Shares participants.

Children Served by Wisconsin Shares by Age

Children Served by Wisconsin Shares by Age ¹				
Age Groups ²	Age	Number	Percent of Total	Cumulative Total
00 - <02 Years	0	2,914	4.70%	2,914
	1	6,033	9.75%	8,947
02 - <06 Years	2	6,782	10.96%	15,729
	3	7,380	11.92%	23,109
	4	7,575	12.24%	30,684
	5	6,167	9.96%	36,851
06 - <09 Years	6	5,144	8.31%	41,995
	7	4,288	6.93%	46,283
	8	3,972	6.42%	50,255
09 - <13 Years	9	3,770	6.09%	54,025
	10	3,184	5.14%	57,209
	11	2,354	3.80%	59,563
	12	1,533	2.48%	61,096
13 - <14 Years	13	737	1.19%	61,833
14 - <15 Years	14	53	0.09%	61,886
15 - <16 Years	15	6	0.009%	61,892
16 - <17 Years	16	5	0.008%	61,897
17 - <18 Years	17	3	0.005%	61,900
18 - <19 Years	18	1	0.002%	61,901

¹ Data as of December 31, 2018.
² Color-coded groups detail how data in the data warehouse is combined into age groups.

Children Served by Reported Race/Ethnicity



Children Served by Copayment Type

Families are required to pay a portion of the cost of child care. Wisconsin Shares calculates a copayment and deducts the copayment amount from the family's subsidy funds. The copayment type is determined by the parent's relationship to the child, or the parent's approved activity. The copayment calculation takes the size and income of the family into account, as well as the copayment type. Some copayment types reduce or even eliminate the copayment.

Children Served by Wisconsin Shares in 2018 by Copayment Type		
Copayment Type	Number of Children Served ²	Percent of Children Served
Regular	58,368	92.42%
Foster (\$0 copayment)	2,465	3.90%
Kinship ¹ (\$0 copayment)	1,426	2.26%
Non-Court Ordered Kinship (minimal copayment)	504	0.80%
W-2 Employment Ending, Regular Employment Beginning (minimal copayment)	247	0.39%
Teen Parent in High School (minimal copayment)	123	0.19%
Learnfare (\$0 copayment)	24	0.04%
TOTAL	63,157²	100%

¹ In order to qualify for the Kinship copayment, the child's placement with the Kinship relative must be court ordered.

² Due to changes in a child's living situation, it is possible for a child to be counted in more than one copayment type in a year.

Quarterly Statewide Expenditures

Calendar Year 2018	Statewide Issuances
Quarter 1	\$62,928,697
Quarter 2	\$64,244,308
Quarter 3	\$67,785,231
Quarter 4	\$64,611,690
TOTAL	\$259,569,926

2018 Expenditures for Milwaukee County and Balance of State



Average Wages and Hours Worked by Parents

Average Wages and Hours Worked per Served Parent		
	Average Hourly Wage	Average Weekly Hours
Milwaukee	\$12.30	34.7
Balance of State	\$13.71	34.3
Statewide	\$12.99	34.5

Approved Activity Summary for Individuals Served by Wisconsin Shares

The Wisconsin Shares Child Care Subsidy Program assists low-income families with a portion of the cost of child care while they are working or participating in activities that will lead to work. To be eligible for the child care subsidy, a parent, foster parent, relative, or person acting in place of a parent must require child care to be able to participate in one of the following activities: employment, high school or Learnfare (if a parent is over 20 years of age, they must also be working), Wisconsin Works (W-2) activities, education while working, Tribal TANF activities, or FoodShare Employment and Training (FSET) work search or work experience activities.

In October 2017, Wisconsin Shares implemented the “Approved Activity Search” in accordance with the [Child Care and Development Block Grant \(CCDBG\) Reauthorization of 2014](#). Using the “Approved Activity Search,” a qualifying parent who has lost their approved activity may be granted up to three months of Wisconsin Shares eligibility so that he or she can search for a new approved activity.

In accordance with the CCDBG Reauthorization, Wisconsin Shares implemented the “Temporary Break Period” in November 2018. Using a “Temporary Break Period,” parents may be granted up to three months of Wisconsin Shares eligibility while they take a break from their approved activity to do something such as care for a sick family member.

In a representative sample taken in December of 2018:

- 81% of served Wisconsin Shares participants were eligible because of employment
- 12% were participating in other approved activities
- 6% of participants had the activity type of Approved Activity Search
- 0.28% of participants had the approved activity type of Temporary Break

YoungStar: Wisconsin's Quality Rating and Improvement System

YoungStar, Wisconsin's Quality Rating and Improvement System (QRIS), was developed to improve the quality of child care for Wisconsin children. YoungStar establishes a consistent standard for measuring child care quality based on educational qualifications, learning environment and curriculum, business practices, and health and well-being of children. Programs are evaluated and rated using a 5 Star rating scale.

YoungStar addresses several key issues in Wisconsin's child care system. YoungStar:

- Improves the overall quality of child care
- Creates a clear, understandable tool for parents to choose quality child care
- Creates incentives for providers to improve services, particularly for low-income children
- Supports ongoing child care quality improvement by linking higher-quality care to higher Wisconsin Shares subsidy amounts through YoungStar Quality Adjustments.

YoungStar offers child care providers technical assistance, micro-grants, professional development counseling, and a variety of training opportunities to support quality improvement efforts. YoungStar offers family resources and the Child Care Finder application (childcarefinder.wisconsin.gov) to assist in identifying key elements of quality in child care so families can choose the best program for their children.

Since July 1, 2016, Supporting Families Together Association (SFTA), has been the administrator of all YoungStar services across the state. SFTA contracts with Wisconsin's 10 Child Care Resource & Referral (CCR&R) agencies to provide services to local provider communities.

Child care programs must be regulated and participate in YoungStar to be eligible to receive Wisconsin Shares subsidy payments.



YoungStar Program Highlights

Revision of YoungStar Evaluation Criteria

Based on findings and suggestions from the Wisconsin Early Child Care Validation Study in 2016, beginning in the 2019-20 rating year, programs rated at the 3, 4 and 5 Star level will now be required to meet the requirements of a new Developmentally Appropriate Environment (DAE) point. This point focuses on positive interactions, as well as ample, age appropriate materials accessible to children in the learning environment. Several supports to providers have been implemented over the course of 2018, including on-site observations and technical assistance in which consultants provide feedback and coaching to prepare providers for the new requirements. In addition, a multi-faceted DAE training plan was implemented in which providers have the option of choosing a three-hour face-to-face training offered at each of the CCR&R offices, a free online two-hour training that can be completed and verified through an individual's Registry account, or both. Quality Initiative staff have also posted several supporting documents and resources for providers from both trainings on the DCF website.

Implementing Practice Based Coaching Into Technical Assistance

As of 2017, programs participating in YoungStar are rated every two years. This allows programs more time to improve their quality between ratings. The change to less frequent YoungStar ratings was requested by child care programs and early education associations. Programs may, and are encouraged to, receive on-site coaching support annually to continue their quality improvement efforts. Due to this change, as well as the addition of the new DAE requirement in 2019, DCF and SFTA staff collaborated closely in 2018 with the National Center on Early Childhood Development, Teaching & Learning to develop a Practice Based Coaching (PBC) process. Head Start materials were updated to include YoungStar, the Wisconsin Model Early Learning Standards and the School Age Curricular Framework content. In fall 2018, a small pilot study of four YoungStar consultants trained in PBC implemented the entire coaching process with a mix of group center and family child care providers in the following locations: Eau Claire, Beaver Dam, Sheboygan and Rothschild. In April 2019, the National Head Start Center will lead a two-day training for all YoungStar Consultants. Following the training, the PBC delivery model will roll out as an option for all YoungStar participating programs.

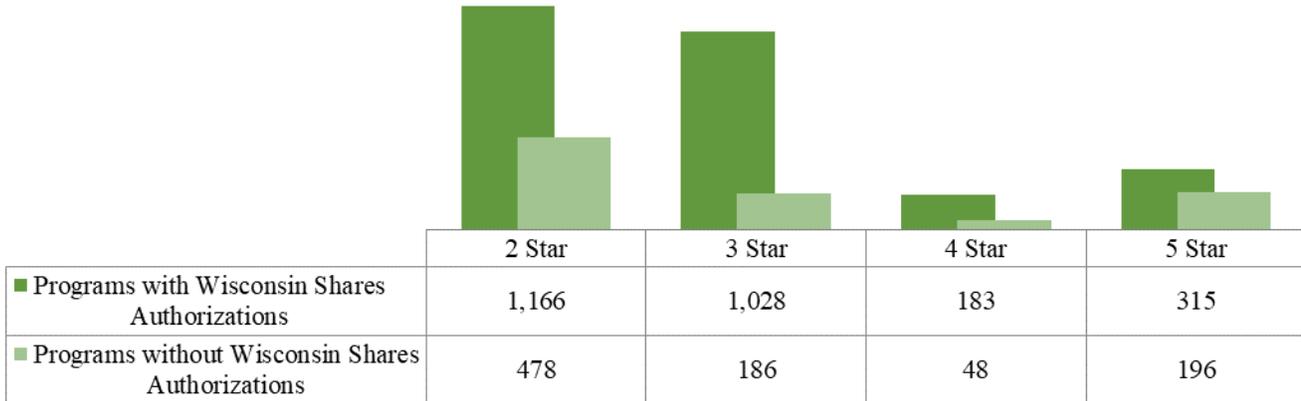
YoungStar Quality Adjustment Increases

Child care programs that have achieved a 4 or 5 Star rating and receive Wisconsin Shares authorizations receive a monthly YoungStar Quality Adjustment. This adjustment is paid directly to 4 Star and 5 Star providers, and is based on the Wisconsin Shares EBT card benefit load for the children authorized for that month. YoungStar quality adjustments were increased from 10% to 11% for 4 Star providers and from 25% to 27% for 5 Star providers effective January 1, 2019. Beginning October 1, 2018, families that have selected a 2 Star provider have a reduction of 1% of the EBT card load. Previously this had been a 5% reduction.

YoungStar Data

As of December 31, 2018, there were 3,724 regulated programs participating in YoungStar, and therefore eligible to accept Wisconsin Shares payments. Seventy-five percent of YoungStar participants – 2,768 programs – provided care for a child participating in Wisconsin Shares in December.

Programs with and without Wisconsin Shares Authorizations by YoungStar Rating



Note: As of Dec. 31, 2018, there were 9 YoungStar programs that were rated 1 Star. Wisconsin Shares authorizations cannot be made to programs rated 1 Star. An additional 115 programs were in the process of being rated.

The table below details the distribution of children by the YoungStar rating of their child care program on December 31, in which 72.1% of children were enrolled in high-quality care (defined as rated 3 Star, 4 Star, or 5 Star).

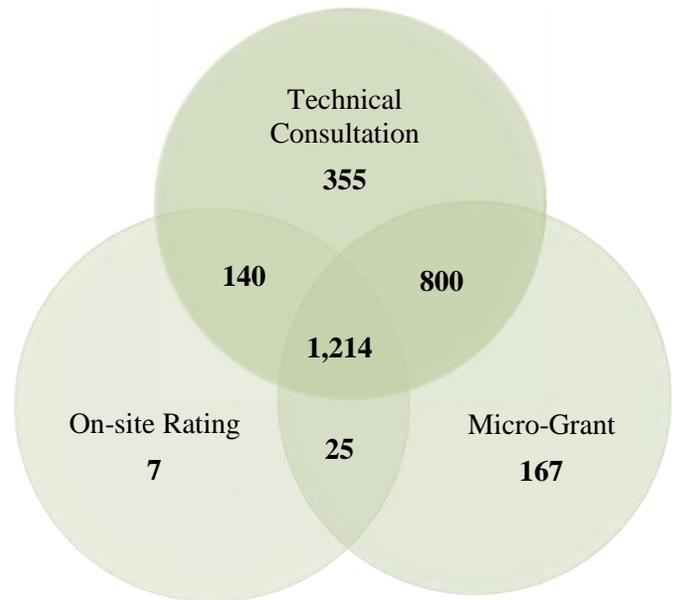
Children from Families Participating in Wisconsin Shares by YoungStar Level ¹					
Region	2 Star	3 Star	4 Star	5 Star	Total
Southeastern	650	2,052	220	627	3,549
Milwaukee	7,614	11,466	1,971	3,616	24,667
Northeastern	913	2,062	398	1,041	4,414
Northern	383	522	200	205	1,310
Southern	1,246	2,052	299	2,012	5,609
Western	914	1,004	134	431	2,483
TOTAL	11,720	19,158	3,222	7,932	42,032

¹ Families participating in Wisconsin Shares cannot receive authorizations to providers rated 1 Star.

As of December 31, 2018, a total of 42,032 children from families participating in the Wisconsin Shares program were authorized to attend YoungStar-rated child care programs.

YoungStar Support Service Use

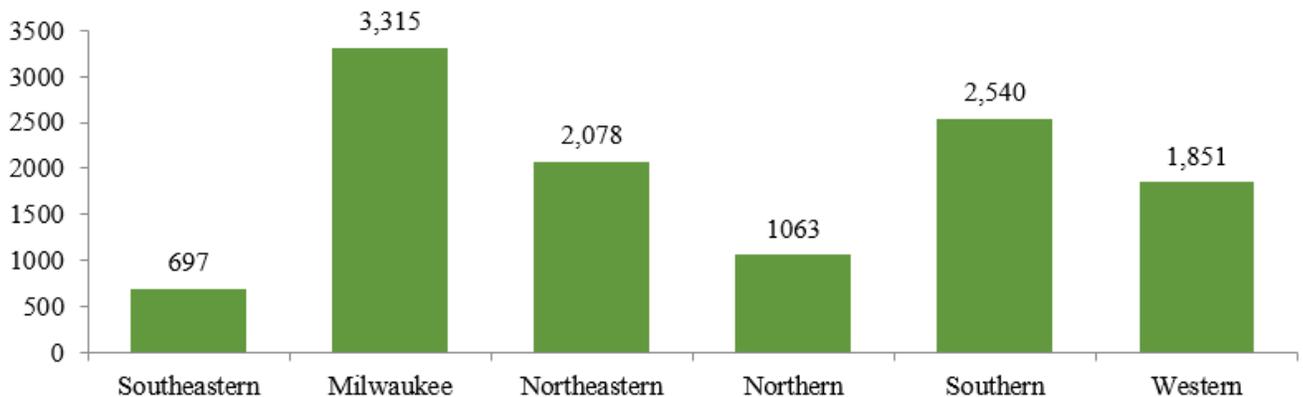
In addition to rating programs on a scale of 1 Star to 5 Star, YoungStar provides a variety of free and low-cost supports to child care programs to encourage continuous quality improvement efforts. These services include on-site mentoring and consultation, micro-grant awards, and relevant trainings. In 2018, 2,708 programs received at least one on-site service. Forty-five percent (1,214 programs) utilized all three available services, and 80% of programs receiving technical consultation also received a micro-grant.



YoungStar Technical Assistance

YoungStar technical assistance is provided to child care programs (when requested) to work on collaborative goals for program enhancement. Technical consultation support is available on-site to programs for an average of 10 hours per program, per year. YoungStar provided 11,544 technical assistance visits to 2,509 child care programs in the 2018 calendar year.

Number of YoungStar Technical Assistance *Visits* by YoungStar Region



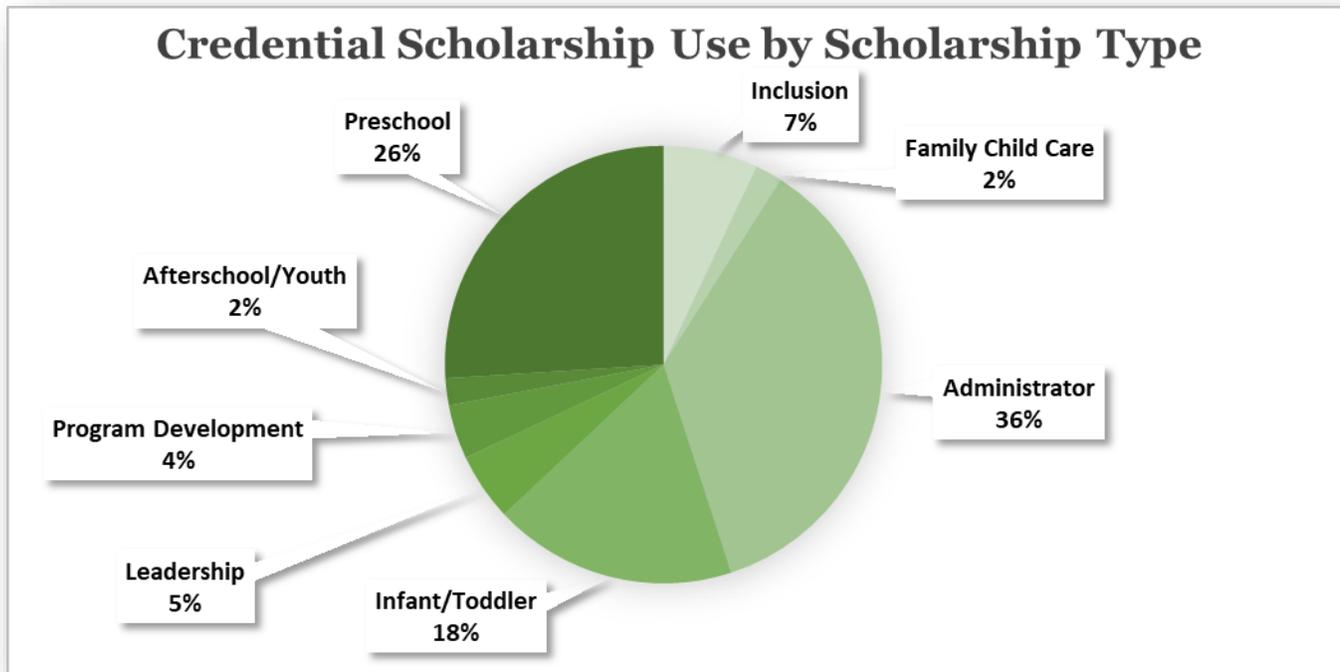
T.E.A.C.H. Early Childhood® Wisconsin

T.E.A.C.H. Early Childhood® Wisconsin is a statewide scholarship program designed to help teaching staff in child care centers and afterschool programs, Head Start teachers, family child care providers, and center directors and administrators advance their educational qualifications while continuing their current employment in regulated early childhood and school-age care settings. T.E.A.C.H. links education, compensation and commitment to improving the quality of early education.

T.E.A.C.H. offers a variety of scholarship models designed to meet the diverse needs of the workforce. All models support credit-based education in Wisconsin institutions of higher education. In fiscal year 2018 (July 2017-June 2018), T.E.A.C.H. awarded a total of 706 scholarships to recipients who, in conjunction with continuing recipients, completed more than 2,865 courses. By working in partnership with programs and scholarship recipients, T.E.A.C.H. pays the largest share of expenses related to the completion of a credential, degree, or coursework undertaken to improve a YoungStar rating. T.E.A.C.H. also provides counseling, administrative support, and a contract completion bonus.

T.E.A.C.H. Early Childhood® Wisconsin – Fiscal Year 2018		
Scholarship Type	Description	Number of Active Contracts
3 to 8 credits	A flexible scholarship designed for providers interested in earning 3-8 credits over three semesters	96
9-18 Credits	A one-time opportunity to complete 9-18 credits of early childhood coursework over three semesters	14
Associate’s Degree	A one-year (3 semester) scholarship for providers to earn between 9-18 credits	210
Associate’s Degree 19+ Credits	A one-year (3 semester) scholarship for providers to earn 19 or more credits	79
Bachelor’s Degree	A one-year (3-semester) scholarship for providers interested in earning between 9-18 credits	48
Bachelor’s Degree 19+ Credits	A one-year (3 semester) scholarship for providers to earn 19 or more credits	75
The Wisconsin Registry Credential	A 2-year scholarship awarded for a specified <i>Wisconsin Registry Credential (range from 12-18 credits)</i>	513

Of the 513 providers who selected a Credential contract during the year, the majority worked on an administrator or preschool credential.



REWARD Wisconsin

The REWARD Wisconsin Stipend Program is a compensation and retention initiative for members of the early care and education workforce who are at Registry Level 7 or higher. This program encourages increased education and retention through increased compensation. Incremental salary supplements are awarded based on the participant's educational attainments and longevity in the field, with the average annual stipend award totaling \$540 in fiscal year 2018 (July 2017-June 2018).

REWARD Wisconsin Activity for Fiscal Year 2018	
Active agreements during the fiscal year	2,961
Recipients active during the fiscal year	2,375
Agreements awarded during the fiscal year	2,128
First time recipients	417
Average years of experience	12.8
Average years at program	8.8
Turnover rate	25 (0.8%) ¹
Discontinued participation rate	7 (0.2%) ²
Average stipend	\$540
Percent of recipients who have received T.E.A.C.H.	24.5%
Programs represented	1152
Counties served – by recipient's county of employment	70
Counties served – by recipient's county of residence	70

¹ Of the 25 turnovers, 21 went to other child care programs, and 4 left the profession.
² Of the 7 individuals who discontinued participation, all were because their program no longer met program eligibilities.

Early Care Regulation – Licensing and Certification

Bureau of Early Care Regulation

The Bureau of Early Care Regulation (BECR) is responsible for the licensing and regulation of child care. Regulation requirements for child care programs promote practices that are intended to enhance the health, safety and welfare of children in care. The Bureau works to ensure licensing requirements are met through inspections of licensed family and group child care centers and day camps, license exempt public school programs, and certified child care programs in Milwaukee County. BECR also provides training and consultation to child care certifiers employed by counties, tribes and subcontracted agencies outside of Milwaukee County.

Mission

To promote and protect the health, safety and welfare of children in child care settings



The Bureau of Early Care Regulation continues implementation of new requirements resulting from the 2014 reauthorization of the federal Child Care and Development Block Grant (CCDBG). The 2014 reauthorization resulted in several initiatives that impact regulated child care including required annual health and safety rule monitoring, revised caregiver background check requirements, monitoring of license exempt programs, emergency planning, new training requirements focusing on health and safety, and pre-service and continuing education for licensed and certified providers.

Types of regulated child care include:

- Certified Care (care for up to 3 children under age 7, but may care for a group maximum of 6 that includes day care children ages 7 and older and/or their own/related children under the age of 7)
- Licensed Family Child Care (up to 8 children under the age of 7)
- Licensed Group Child Care (9 or more children under the age of 7)
- Day Camp (seasonal program for 4 or more children ages 3 and up)
- License exempt public school child care programs (operated by or under contract with public school districts)

It is estimated that licensed, certified, and license-exempt child care programs served over 270,000 children in Wisconsin in 2018.

Information regarding licensed, certified and license-exempt child care programs is readily available to parents and others who visit childcarefinder.wisconsin.gov the [Wisconsin Regulated Child Care Search](#) on the DCF website. The website includes regulatory information such as hours, capacity, and ages served, as well as the results of monitoring visits such as compliance and noncompliance statements, correction plans, forfeitures, and other enforcements. Results from visits are posted as soon as the next day following a licensing visit.

Licensed Providers, Capacity and Estimated Enrolled Children

As of December 31, 2018, there were 3,975 licensed child care centers and day camps in Wisconsin. Of the 3,975 licensed centers, 57% (2,270) were licensed group centers, 40% (1,599) were licensed family centers and 3% (106) were licensed day camps. The overall number of licensed child care facilities operating in 2018 decreased by nearly 1% compared to the number of facilities operating in 2017 (4,002). The number and capacity of group child care centers remained about the same between 2017 and 2018. The number of family child care centers dropped by nearly 2% during this same period while capacity decreased by nearly 1%. The number of day camps increased by 10% during this period and capacity increased by 9%.

An estimated 234,181 children were served in licensed child care centers and day camps in 2018.

The following chart shows the number of licensed providers, capacity, and estimated number of children enrolled by license type.

Licensed Child Care				
	Total Number of Providers	Total Daytime Capacity	Total Nighttime Capacity	Estimated Number of Enrolled Children¹
Licensed Group	2,270	142,173	8,836	200,842
Licensed Family	1,599	12,695	2,232	19,853
Licensed Day Camp	106	10,140	0	13,486
TOTAL	3,975	165,008	11,068	234,181

¹ The estimated number of enrolled children in licensed care is calculated by multiplying licensed capacity by 1.33. Due to part-time care, slots are often filled by more than one child.

License Exempt Public School Programs

Wisconsin’s license exempt public school programs are child care programs operated by or under contract with public school districts. Pursuant to Wis. Stat. § 120.13(14), a child care program established and provided by a school board is not required to be licensed, but must comply with the applicable child care licensing standards governing the operation of licensed group child care centers. The CCDBG reauthorization established new federal requirements making annual inspection of license exempt public school programs by qualified staff a condition of receiving federal child care subsidy funds (Wisconsin Shares). Beginning in 2016, BECR became the designated state agency responsible for monitoring public school programs serving families that receive Wisconsin Shares. Public school programs not participating in YoungStar are not eligible to serve families utilizing the subsidy and are not subject to an annual inspection requirement.

As of December 31, 2018, there were 204 license exempt programs subject to annual monitoring by BECR licensing specialists. These programs had a capacity of 24,481 and served approximately 32,560 children.

Monitoring of Licensed Programs

Licensing specialists are responsible for monitoring licensed group and family child care centers and day camps. Each licensing specialist’s caseload includes a mix of group and family centers and day camps. Throughout the year, BECR staff is involved in opening new and relocated licensed child care centers, closing licensed centers, and conducting routine monitoring of all licensed programs.

Licensed centers and camps must be visited at least once per year by a licensing specialist to review compliance with the administrative rules. In practice, the average number of visits to centers is about two per year. Over a two-year period, all applicable administrative rules must be reviewed for each center. In 2018, BECR licensing specialists reviewed over 1.3 million administrative rules at licensed child care facilities. Approximately 98% of the monitored rules were met, with less than 2% of monitored rules resulting in a rule violation.

Total Rules Reviewed by Licensing Specialists in 2018	
Total Rules Reviewed	1,321,677
Rules Met	1,300,349
Rule Violations	21,328
Rules Determined Not Applicable on Day of Visit	592,061

The information collected at the child care monitoring visits is readily available to parents and others who visit the [Wisconsin Regulated Child Care Search](#) on the DCF website. Regulatory information includes hours of operation, capacity, compliance and noncompliance statements, correction plans, and fines and enforcements. Results from visits are posted as soon as the next day following a licensing visit.

In addition to monitoring visits, licensing specialists provide technical assistance and consultation to centers, conduct complaint investigations, and license new centers. BECR licensing specialists made 8,688 visits in 2018 to licensed centers and license exempt public school programs. An additional 181 visits were made to unregulated child care locations in response to allegations of unlicensed care.

The following table shows the visit reasons and number of visits in 2018.

Purpose of Visit	Number of Visits
Complaint/Incident Investigation Regarding Licensed Program	1,531
Complaint Regarding Unlicensed Center	181
Enforcement Action Compliance Verification	101
Initial Licensing Study	512
License Amendment	126
Monitoring for Licensed or License Exempt Program	5,698
Pre-licensing Technical Assistance	13
Technical Assistance for Licensed or Licensed Exempt Program	318
Verification of Correction Plan Compliance	188
Offsite Record Review	201
TOTAL¹	8,869

¹ In addition, licensing specialists attempted 543 visits in which they were unable to gain entry during licensed hours of operation.

Licensing Complaint Investigations

BECC received 1,448 complaints concerning licensed child care centers in 2018. This compares to 1,241 complaints received in 2017, an increase of 16% between 2017 and 2018. In 2018, 586 complaints regarding licensed child care were substantiated while 758 complaints were unsubstantiated. A complaint is considered substantiated when at least one of the allegations contained in the complaint results in issuance of a rule violation. BECC also received 215 complaints alleging unlicensed child care in 2018; 70 unlicensed complaints were substantiated while 136 complaints were unsubstantiated.

2018 Complaint Investigation Results		
	Licensed Complaints	Unlicensed Complaints
Received	1,448	215
Substantiated	586	70
Unsubstantiated	758	136

Self-Reports

Child care licensees and license exempt programs are required to report to BECR certain incidents, injuries and deaths that occur in licensed care. Licensing specialists review these reports to determine whether rule violations may have been a factor. During 2018, BECR reviewed 1,584 self-reported incidents and/or injuries involving a child in licensed and license exempt care.

Serious Injuries and Deaths

There were 1,441 serious injuries (injuries that required medical attention) in licensed and license exempt child care centers during 2018, including 1,302 injuries in group child care, 83 injuries in family child care, 28 in day camps, 25 in license exempt public school programs and 3 in certified care. During the same year, there were three deaths in licensed child care centers. No deaths occurred in certified or license exempt public school programs in 2018.



There were 129 referrals for child protective investigations in 2018. Twenty-eight of these resulted in a substantiated finding of child abuse or neglect. Eighteen of the substantiations occurred while the child was in the care of a child care center.

Certified Child Care Centers and Capacity

As of December 31, 2018, there were 580 certified family providers (up to 3 children under age 7, but may care for a group maximum of 6 that includes day care children ages 7 and older and/or their own/related children under the age of 7), and 4 certified school-age programs (a program providing care and supervision in other than an operator's home for fewer than 24 hours a day for 7 or more school-age children and which is exempt from being licensed as a child care center). This is a 22% decrease in certified providers, compared to 2017. An estimated 3,694 children were enrolled in certified child care in 2018. The following table shows the number of certified child care centers and the estimated number of children enrolled in certified care in 2018.

Certified Child Care				
	Total Number of Providers	Group Size	Children Under the age of 7	Estimated Number of Enrolled Children ¹
Certified Family	580	3,332	1,677	3,480
Certified School-Age	4	161	0	214
TOTAL	584	3,493	1,677	3,694

¹ The estimated number of enrolled children in certified family care is calculated by multiplying the number of providers by 6. The estimated number of enrolled children in certified school-age care is calculated by multiplying capacity by 1.33. Due to part-time care, slots are often filled by more than one child.

Monitoring of Certified Child Care Centers

Monitoring of certified family child care and certified school-age care is conducted by certifiers employed by counties, tribes, subcontracted agencies, and in Milwaukee County, BECR licensing staff.

Certifiers and BECR licensing specialists conducted 1,165 visits to certified centers in 2018 to monitor, provide technical assistance, verify compliance and conduct complaint investigations.

In addition, 302 attempted visits were made to certified centers in 2018. Beginning in November of 2018, all certified providers must receive one unannounced monitoring visit each year.

2018 Monitoring Visits Completed	
Annual Visit/Monitoring/294 Verification/Other	681
Complaint Visit	36
Expired Re-Certification Visit	10
Initial Provider Visit	162
Re-Certification Visit	200
Relocation Visit	17
Technical Assistance Visit	59
TOTAL	1,165

Enforcement Actions

Licensing and certification staff may initiate enforcement actions when, because of the severity of violations and/or a pattern of repeated violations, the health, safety, and welfare of children in care is at risk. Progressive enforcement refers to a series of actions taken to gain compliance with administrative rules when previous efforts, such as citing the violation or providing technical assistance, have not worked. Enforcement actions are authorized in statute and can ultimately lead to revocation of a license or certification. (Note that there is no statutory authority to initiate enforcement action in license exempt public school programs.) Enforcement actions are posted on the public website. The table to the right summarizes enforcement actions related to licensed programs in 2018.

2018 Licensing Rule Enforcements	
Denial	34
Forfeiture/Direct Forfeiture	263
Orders/Stop Operating Orders	301
Revocation	79
Summary Suspension	1
Warning Letter/ Warning Letter No Access	322
2 nd Probationary License Due to Noncompliance	26
TOTAL	1,026

This table summarizes enforcement actions related to certified programs in 2018.

2018 Certification Rule Enforcements	
Denial	15
Revocations	15
Suspensions	13
Warning Letter	43
TOTAL	86

Caregiver Background Checks

The CCDBG reauthorization sought to make child care safer by ensuring that the adults working with or in proximity to children have not committed violent crimes, child abuse, or sexual offenses. The new federal law requires Wisconsin to establish and manage a system of background checks that will apply to all regulated child care providers. The new requirements include a federally mandated fingerprint-based background check initially and every five years thereafter.

Under CCDBG requirements, BECR continues to conduct all background checks required for applicants, licensees, and household residents. In addition, BECR conducts checks of all employees of child care programs, certified operators and household members, and employees in any license-exempt public school programs that are participating in YoungStar. BECR makes the determination regarding whether an individual is eligible to hold a license to operate, reside in or work for a child care program.

Beginning in October of 2018, BECR began to perform the federally mandated fingerprint-based background checks on all new household members, caregivers, and non-caregiver employees. Any prospective employee or new or prospective household member must have completed a fingerprint-based background check and received preliminary eligibility approval from BECR prior to residing in or beginning to work under supervision at a child care program. A final determination that includes additional checks is made within 45 days after BECR receives the fingerprint check results.

During 2018, the BECR Caregiver Background Unit (CBU) completed 5,650 Department of Justice background checks and 1,610 FBI checks for licensed providers.



Program Integrity

Bureau of Program Integrity

The Bureau of Program Integrity (BPI) was created as part of the Division's reorganization in 2014 to better allocate resources to oversee program integrity for the Division's programs.

Mission

To enforce compliance and integrity of the Wisconsin Shares and YoungStar programs by monitoring, investigating, and recovering misapplied funds

BPI pursues a variety of remedies including providing technical assistance to child care providers and participants, establishing and applying overpayments, monitoring and investigating unusual EBT card activities, and pursuing collection activities in collaboration with DCF Finance. BPI enforces other actions as well, such as stipulations and permanent suspensions. BPI also provides oversight, monitoring, and guidance for counties, tribes, child care programs, and Wisconsin Shares participants.



Wisconsin Shares Provider Investigations

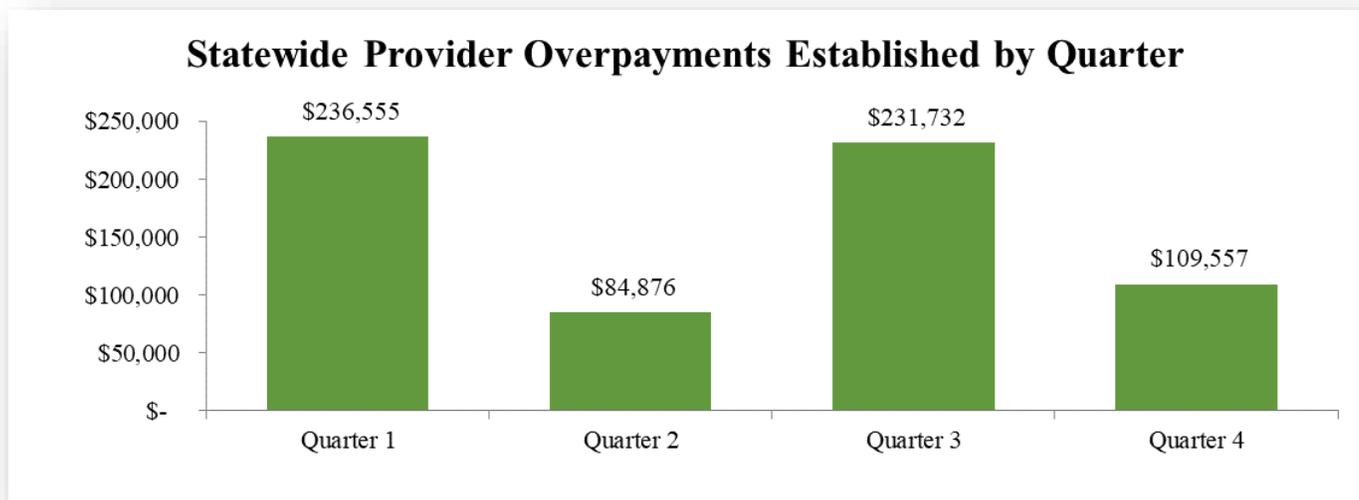
BPI received 3,834 referrals from the fraud mailbox and the quarterly red flag reports in 2018. All referrals were screened, resulting in one of the following actions:

- (1) **Closed** – The referral was unsubstantiated and did not warrant any further investigation.
- (2) **Technical Assistance Letter (TA)** – The referral identified an error correctable with technical assistance being provided to the child care provider.
- (3) **Preliminary Investigation** – The referral identified potential risks and required further investigation. Further review and investigation are conducted on incoming referrals during the preliminary investigation stage.

If the preliminary investigation uncovers additional violations, a history of non-compliance, and/or indications of fraud or overpayment, then a formal investigation is opened. BPI completed 527 investigations, including 358 preliminary, and 169 formal investigations in 2018. The table below summarizes the outcomes of the 169 formal investigations completed.

Formal Investigation Outcomes	
No Overpayment	52
Overpayment Only	70
Overpayment and Stipulation	25
Termination (with or without overpayment)	22
TOTAL	169

BPI and county agencies established a total of \$662,720 in child care provider overpayments due to errors and/or inadequate billing or payment practices. The chart below summarizes overpayments established each quarter.



Wisconsin Shares Parent Investigations

BPI reviews and approves intentional program violation (IPV) activities statewide. An IPV occurs when an individual is found to be intentionally providing false or misleading statements, withholding information, or committing an act that violates state or federal laws for the purpose of using, transferring, acquiring, possessing, or trafficking benefits.

In 2018, 99 IPVs were established totaling \$514,624. In addition, \$107,132 was established in Client Error overpayments (i.e., when a portion of the overpayment was not a result of the client committing an intentional violation), for an overall total of \$621,756.

2018 Statewide Client IPVs Established	
Quarter 1	30
Quarter 2	29
Quarter 3	30
Quarter 4	10
TOTAL	99

BPI provides guidance and technical assistance to local and tribal agencies responsible for establishing overpayments for clients. A client/parent overpayment occurs when a participant receives benefits for which they are not eligible. In 2018, a total of 1,311 client/parent overpayments were established for over \$2,698,234.

Program Integrity and MyWIChildCare

With the release of the MyWIChildCare initiative, BPI adapted its program integrity policies and procedures to meet the EBT card payment structure.

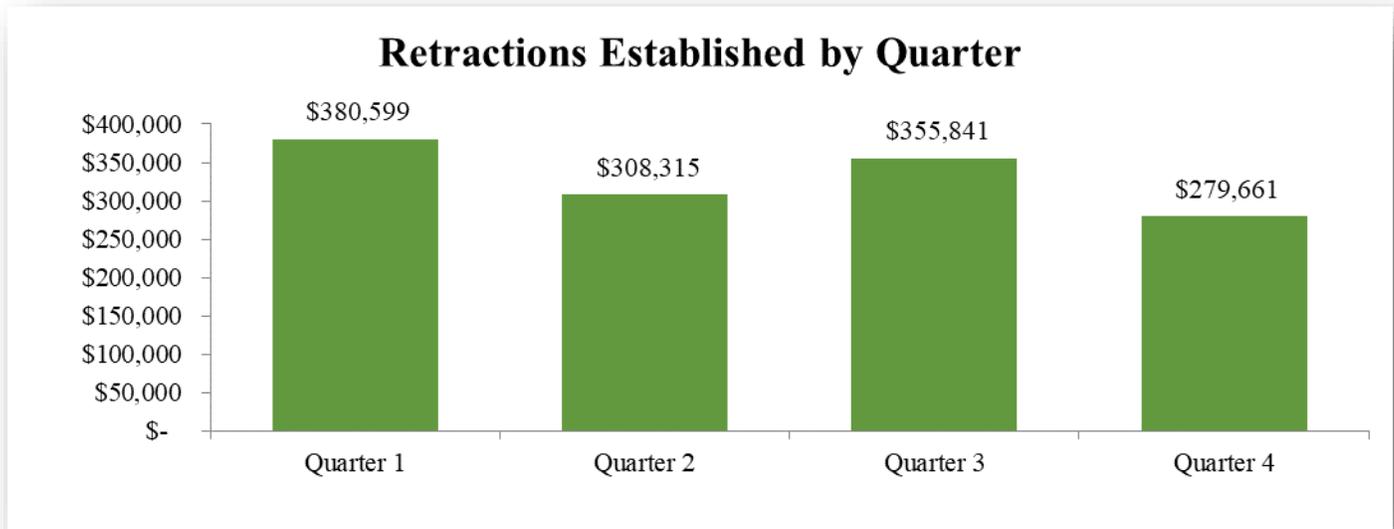
To do so, BPI:

- Developed additional program integrity red flag reports to identify trends or unusual activity with the new program data.
- Revised the program integrity policy chapters and updated administrative rules for the MyWIChildCare initiative.
- Provided ongoing technical assistance to local agencies to help prevent misuse and abuse of public funds.
- Enhanced investigative procedures to combat inappropriate possession of parent MyWIChildCare EBT cards.
- Established different types of fund recovery, including retracting inaccurately issued funds on MyWIChildCare EBT cards and the Voluntary Repayment Agreement (VPA).

Retractions

Retractions are designed for fund recovery situations where funds were incorrectly loaded to a parent's MyWICChildCare EBT card and need to be removed to prevent an overpayment. Funds are removed from the card and returned to Wisconsin Shares.

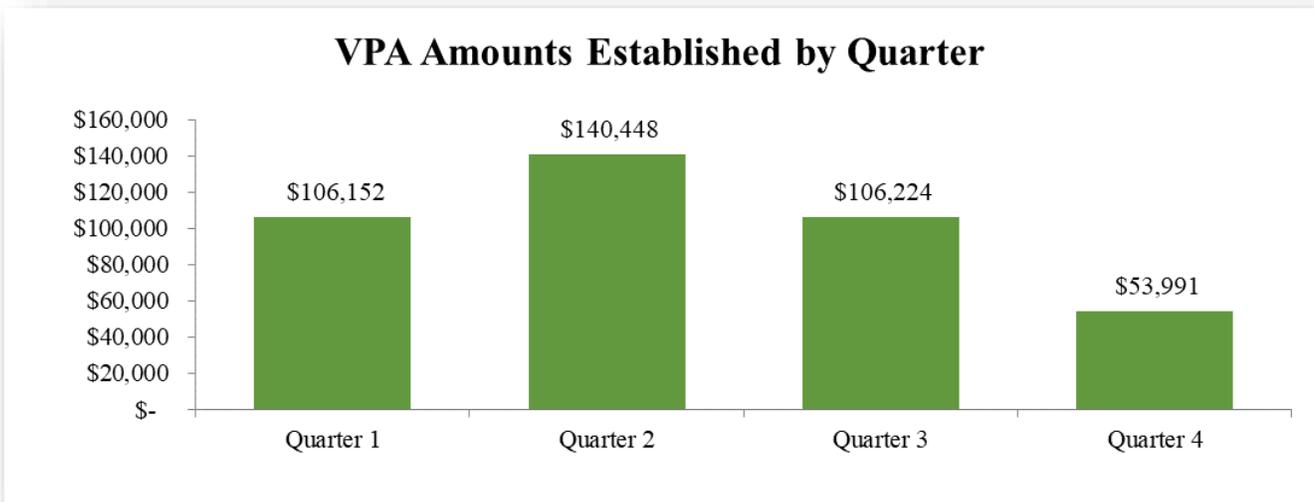
In 2018, a total of 2,913 retractions were completed for a total amount of \$1,324,416. The chart below summarizes statewide retractions established for each quarter of 2018.



Voluntary Repayment Agreements

Voluntary Repayment Agreements (VPAs) are used for situations where payments were made incorrectly to the provider, and the provider wished to return the funds. The VPA fund recovery option is designed to alleviate some of the financial responsibilities of parents and are pursued in lieu of parent overpayments.

In 2018, a total of 1,526 VPAs were completed for a total amount of \$406,815. The chart below summarizes statewide VPA amounts established each quarter in 2018.



Technical Assistance (TA)

BPI provides technical assistance to local agencies on numerous issues such as how to complete investigations, how to process overpayments, and system questions.

In 2017, the TA mailbox received approximately 247 requests per month. In 2018, this number increased to 271 technical assistance requests per month. A total of 3,250 TA requests were received in 2018.

2018 Statewide TA Requests Received	
Quarter 1	762
Quarter 2	874
Quarter 3	739
Quarter 4	875
TOTAL	3,250



Milwaukee Early Care Administration

Bureau of Milwaukee Early Care Administration

The Bureau of Milwaukee Early Care Administration (MECA) administers Wisconsin Shares authorizations for child care subsidies and conducts client program integrity compliance monitoring for Milwaukee County while contracting with the Department of Health Services for basic eligibility determination for residents applying for Wisconsin Shares Child Care Subsidy assistance.

Mission

To promote excellence in early childhood care and education in Milwaukee County and to ensure that Milwaukee residents have access to affordable, high-quality child care that enhances children's development and supports low-income families' ability to work

MECA provides multiple services to Milwaukee County, including:

- Authorization services for Wisconsin Shares recipients
- Parent and provider educational resources for the Wisconsin Shares program
- Client Program Integrity services for the Wisconsin Shares program

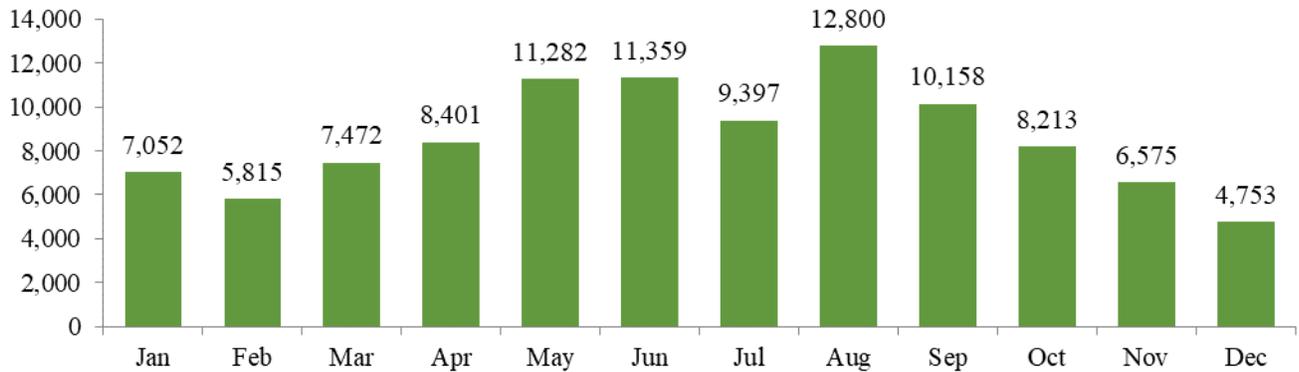
MECA works in combination with Milwaukee Enrollment Services (MILES) to determine and manage participant eligibility and services of the Wisconsin Shares program. MILES manages all aspects of Income Maintenance, determining eligibility and issuing benefits to Milwaukee County residents.



Wisconsin Shares Authorizations

In 2018, a total of 103,277 authorizations were processed for Wisconsin Shares participants in Milwaukee County.

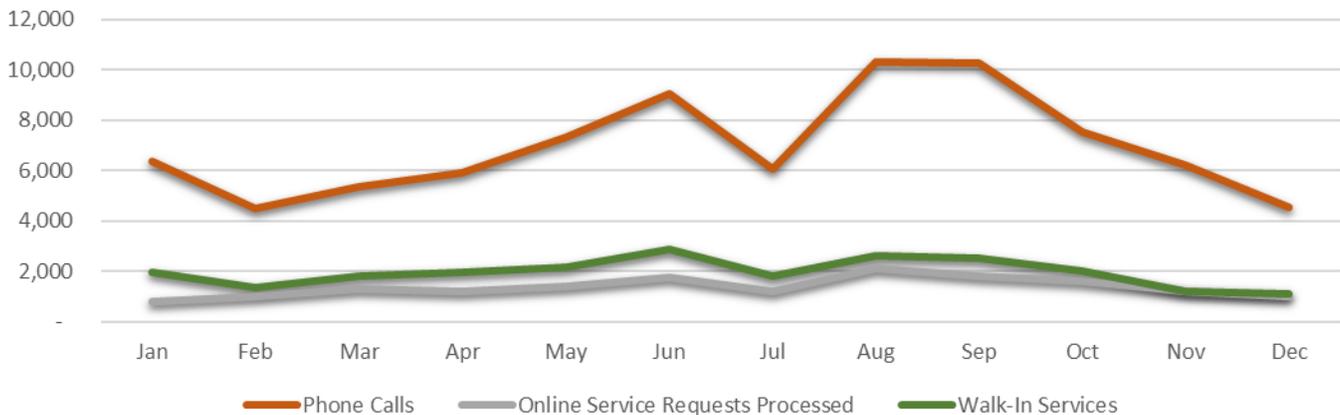
Authorizations Processed in Milwaukee County by Month



MECA Services Provided

MECA offers services and information to families through the Internet, over the phone, and face-to-face with walk-in services. In 2018, MECA served 23,265 individuals through walk-in services, answered 83,359 calls and processed 16,352 online requests.

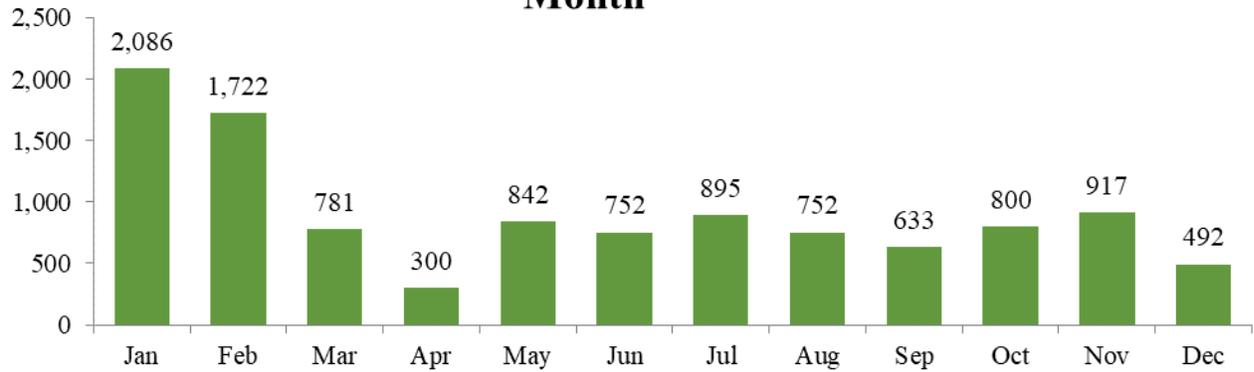
Type of MECA Services Provided by Month



Client Investigation Referrals

A total of 10,972 client fraud referrals were received by MECA in 2018, down from 14,554 in 2017.

Client Investigation Referrals in Milwaukee County by Month



Client Overpayments

MECA established \$1,278,915 in client overpayments in 2018, which is \$688,236 more than in 2017.

Client Overpayments in Milwaukee County by Month



Appendix: Division of Early Care and Education Organizational Chart

